

ARGOSY ENERGY INC. AND RADIUS RESOURCES CORP.

PRESS RELEASE

ARGOSY ENERGY INC. AND RADIUS RESOURCES CORP. ANNOUNCE CLOSING OF THE ACQUISITION OF RADIUS RESOURCES CORP. AND CLOSING OF PRIVATE PLACEMENT FOR \$1 MILLION

FOR IMMEDIATE RELEASE – May 17, 2010. ARGOSY ENERGY INC. (“Argosy”) (GSY.TSX) and RADIUS RESOURCES CORP. (“Radius”) (RAX. TSXV) jointly announce that further to the press release on March 22, 2010 and the purchase and sale agreement dated March 18, 2010 (the “Purchase and Sale Agreement”), Argosy acquired all of the issued and outstanding shares of Radius as part of a restructuring process undertaken by Radius (the “Reorganization”) resulting in the settlement of all claims (both secured and unsecured) for consideration consisting of 748,000 common shares of Argosy and \$2.4 million in cash. Argosy also paid an additional \$225,000 in transaction expenses of Radius.

As part of the Reorganization, Radius filed a proposal (“Proposal”) pursuant to the provisions of the *Bankruptcy and Insolvency Act* on March 19, 2010. Alger & Associates Inc. was appointed as the trustee acting under the Proposal. The Proposal was approved by Radius’ creditors on April 6, 2010 and by the Registrar in Bankruptcy on April 13, 2010.

David Mears also resigned as a director and officer of Radius as contemplated by the Reorganization.

Argosy is also pleased to announce that it closed a non-brokered private placement financing (the “Financing”) of 500,000 common shares issued on a flow-through basis (“Argosy Shares”) for gross proceeds of \$1 million.

The Argosy Shares are subject to a hold period until September 15, 2010 under applicable securities laws.

The proceeds of the Financing will be used to fund exploration of Argosy’s current oil and gas properties and general working capital purposes.

Argosy is a junior oil and gas company focused on the exploration for and development of oil and natural gas in western Canada.

Radius is a junior oil and gas company engaged in the exploration for, and development and production of, crude oil and natural gas focusing in the Peace River Arch region of central Alberta.

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Advisory Regarding Forward-Looking Information

This press release may contain forward looking statements which may include statements that are not statements of fact, including without limiting the generality of the foregoing, the use of proceeds of the Financing. Although Radius and Argosy believe that the expectations reflected in such forward looking statements are reasonable, they cannot give any assurance that such expectations will prove to be correct and will depend upon receipt of regulatory approvals. As such, the future plans and objectives of Radius and Argosy are forward looking statements that involve risks and uncertainties that may be based on assumptions that could cause actual results to differ materially from those anticipated or implied in such statements. The foregoing list of risk factors is not exhaustive. Although Radius and Argosy have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in the forward looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. In making its forward looking statements, Radius and Argosy used, among others, the following material factors or assumptions to develop the forward looking information: the regulatory approvals will be received. Radius' and Argosy's forward looking statements are expressly qualified in their entirety by this cautionary statement. Unless otherwise required by applicable securities laws, neither Radius nor Argosy intend nor does it undertake any obligation to update or review any forward looking statements to reflect subsequent information, events, results or circumstances or otherwise.